

ASSEMBLY BILL

No. 297

Introduced by Assembly Member Galgiani

February 9, 2011

An act to amend Section 10115 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 297, as introduced, Galgiani. Public contracts: participation goals.

Existing law sets forth the policy of the state to aid the interests of specified business enterprises and establishes statewide participation goals with respect to state-awarded contracts for business enterprises meeting certain criteria.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10115 of the Public Contract Code is
- 2 amended to read:
- 3 10115. (a) The Legislature finds and declares all of the
- 4 following:
- 5 (1) The essence of the American economic system of private
- 6 enterprise is free competition. Only through full and free
- 7 competition can free markets, reasonable and just prices, free entry
- 8 into business, and opportunities for the expression and growth of
- 9 personal initiative and individual judgment be assured. The

1 preservation and expansion of that competition is basic to the
2 economic well-being of this state and that well-being cannot be
3 realized unless the actual and potential capacity of minority,
4 women, and disabled veteran business enterprises is encouraged
5 and developed. Therefore, it is the declared policy of the state to
6 aid the interests of minority, women, and disabled veteran business
7 enterprises in order to preserve reasonable and just prices and a
8 free competitive enterprise, ~~to~~ ensure that a fair proportion of the
9 total number of contracts or subcontracts for commodities, supplies,
10 technology, property, and services are awarded to minority, women,
11 and disabled veteran business enterprises, and ~~to~~ maintain and
12 strengthen the overall economy of the state.

13 (2) The opportunity for full participation in our free enterprise
14 system by minority, women, and disabled veteran business
15 enterprises is essential if this state is to attain social and economic
16 equality for those businesses and improve the functioning of the
17 state economy.

18 (3) State agencies which have established short- and long-range
19 minority, women, and disabled veteran participation goals are
20 awarding 23 percent or more of their contracts to these business
21 enterprises.

22 (4) It is in the state's interest to expeditiously improve the
23 economically disadvantaged position of minority, women, and
24 disabled veteran business enterprises.

25 (5) The economic position of these businesses can be improved
26 by providing long-range substantial goals for procurement by state
27 agencies of commodities, professional services, and construction
28 work from minority, women, and disabled veteran businesses.

29 (6) Procurement by state agencies of goods and services from
30 these businesses also benefits ~~the~~ state agencies and the citizens
31 of the state by encouraging the expansion of the number of vendors
32 for procurements, thereby encouraging competition among the
33 vendors and promoting economic efficiency in the process.

34 (b) It is the purpose of this article to do all of the following:

35 (1) Encourage greater economic opportunity for minority,
36 women, and disabled veteran business enterprises.

37 (2) Promote competition among state agencies in order to
38 enhance long-term economic efficiency in the procurement of
39 construction, commodities, and professional services contracts.

1 (3) Clarify and expand the program for the procurement by state
2 agencies of commodities, professional services, and construction
3 work from minority, women, and disabled veteran business
4 enterprises.

5 (c) Notwithstanding any other provision of law, contracts
6 awarded by any state agency, department, officer, or other state
7 governmental entity for construction, professional services (except
8 those subject to Chapter 6 (commencing with Section 16850) of
9 Part 3 of Division 4 of Title 2 of the Government Code), materials,
10 supplies, equipment, alteration, repair, or improvement shall have
11 statewide participation goals of not less than 15 percent for
12 minority business enterprises, not less than 5 percent for women
13 business enterprises and 3 percent for disabled veteran business
14 enterprises. These goals apply to the overall dollar amount
15 expended each year by the awarding department, as defined by
16 Section 10115.1, pursuant to this article.